



Measure L Citizens' Oversight Committee

1st Floor City Council Conference Room Area 'B'

Monday January 27, 2014

APPROVED MINUTES

COMMITTEE MEMBERS

George 'Andy' Anderson, Lance 'Scott' Garver,
Michael Petersen, Phil Salvatore, Eddie Thomas

Regular Meeting – 5:30 p.m.

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

CALL TO ORDER Meeting was called to order at 5:30

ROLL CALL

Present: M. Petersen, A. Anderson, P. Salvatore, E Thomas
Absent: S. Garver
Staff: Dennis Speer, Chief R. Strand, K. Harker, R. McQuiston
Councilmember Steven Morgan was present this meeting.

APPROVAL OF AGENDA Motion To Approve Agenda Was Made By Mr. Anderson, Seconded by Mr. Salvatore. Motion Carried By Voice Vote of 4 Ayes, 0 Nays, 1 Absent, 0 Abstain.

APPROVAL OF MINUTES Motion To Approve Minutes of November 25, 2013 Meeting Was Made By Mr. Thomas, Seconded by Mr. Anderson Motion Carried By Voice Vote of 4 Ayes, 0 Nays, 1 Absent, 0 Abstain.

Chairman Petersen stated that on page four where the election of chair was made the vote was not right. The Committee reviewed the votes and corrected the mistakes. The Vote for Chairman Michael Petersen was 4 ayes 1 absent. The vote for Vice Chair needs to make changes to state Scott Garver received 2 ayes, Phil Salvatore 1 aye, 1 absent, 1 abstain. Motion To Approve Minutes of January 13, 2014 Meeting Was Made By Mr. Anderson, Seconded by Mr. Salvatore. Motion Carried as amended By Voice Vote of 4 Ayes, 0 Nays, 1 Absent, 0 Abstain.

PUBLIC COMMENT OF ITEMS NOT ON THE AGENDA

Opening public comment at 5:46 - No public comment

DISCUSSION AND OTHER ACTION ITEMS

- **Update and Discuss Final Report** – The Chairman Mr. Petersen was curious if anyone had any input on the final report. Mr. Salvatore wanted to know if Mr. Speer or Chief Strand had anything to say about the draft report. Mr. Speer felt he would save his comments for the end of the discussion. Chief Strand was happy with the information that was being given in the document. Mr. Salvatore felt that these comments were necessary for the committee to move forward with the document.

Ms. McQuiston, Finance Director, was asking about the wording and concept that the committee was using with the word “backfilling”. Although Ms. McQuiston was unable to find the particular area that she is speaking about. Ms. McQuiston wanted to let the committee know that when she presented to the City Council her first budget when she was speaking about the police and she stated that she would recommend cutting 10 police officers that’s what she would have done. She felt that we needed to dispense with the word “backfill”. Ms. McQuiston felt that her integrity, and reputation was being put on the line and she didn’t want the community to feel that Measure L funding was going to go to other places besides Police and Streets. Mr. Speer indicated that all departments had to make cuts. Mr. Salvatore disagreed and would not have made across the board cuts especially sacrificing eight (8) officers at Ridgecrest police department. Absent Measure L funds council would have eliminated other services to save others.

Mr. Anderson stated that the term “backfilled” was used by the committee to come up with a baseline budget for each department (mostly police and streets) and that the committee could then make sure that the Measure L money was being used in the appropriate manner. This baseline budget was a computation of passed budgets (2004-2012) that Mr. Salvatore had looked at to determine that the (example) Police Budget would receive one million dollars and that Measure L Funds would then be augmented on top of that one million dollars. It was not to have funds taken away from the Police Department to fund other departments and then use Measure L Funds to then Fund the Police Department. That was the term that we used as “backfill” or “back-filling”. There was discussion of how Measure L money could have backfilled the budgets of other departments. Mr. Anderson also discussed how with the dissolution of the RDA funds and the economic state of the State of California, that there was not enough revenue to fund the Police and Streets Department and that Measure L Funds were needed to fund the Police Department for officers and that there was less funds for the Street Department. Mr. Anderson stated that it was not the committee’s intention to put the Finance Director in a compromised situation and that if the committee needed to change the language, the committee could do so.

Mr. Salvatore indicated that most of the people on the committee worked on base and that they fund from the top of a budget (most important) and then things move down the list from there and if it ends up at the bottom, the project would be cut (not funded). Ms. McQuiston discussed how Councilmembers and constituents could see how a budget might work differently. There are some people who would say that would work but you have the other side who would want a little funding to go to Quality of Life, Police, Streets, Transit, and other services and say you just can’t cut one department. Services are needed throughout the City. In most cases the Finance Director will have the Departments cut by 10% and then work to see how the money will be spent within the Departments by the Council or Board. Mr. Anderson felt that everyone should have been cut by 20%. Ms. McQuiston not to be just giving one side

indicated that the Police Department had not been cut by nearly as much as other areas of the city in recent decades.

Mr. Speer gave the example that 10 years ago the Street Department had eighteen employees and now only has five and where the Engineering Department had eight for designing projects it now only has three. Chief Strand gave his perspective that prior to Measure L there was a downward trend in the department and that he feels that it is his responsibility to come up with the numbers to maintain a force that is lean and can manage public safety. He feels it is imperative that we provide a community that is safe and using Measure L is a way to do this.

Mr. Steve Morgan quoted page 2 paragraph 3 about “the public’s chief concern was the possibility of “back-filling” other budgets by maintaining budgets for streets and public safety at existing levels. On the contrary, the use of Measure L funds was interpreted by the public to be supplemental to a balanced, executable city budget. Mr. Morgan felt that could come across as accusatory when in fact the budget is “Complex in nature” The Committee felt that they could change the language in this area to reflect a more positive approach.

Chairman Petersen after hearing everything that the committee was commenting on that updating the report in the different categories and bringing clarity on the section of 4.0 that this would help more of a chronological history of events.

Mr. Salvatore made mentioned that the CAFR really speaks to what is happening within the City’s budget. Ms. McQuiston stated that she would be doing an honest representation, and an unbiased account of the budget. Ms. McQuiston went on to state that the CAFR uses General Accounting Practices and that the CAFR will be changing and that the Finance will be highlighting these changes so that the public will be able to see where the changes are at. Mr. Salvatore feels that the police have not been cut over time.

Ms. McQuiston indicated that there is a lot of mention of backfilling other budgets to do a bait and switch. Mr. Anderson stated that the citizen’s feel that this is what the City Council could do with the Measure L Funding and that the Committee feels that it is their responsibility to show the community that this is not happening.

Chairman Petersen feels that the committee needs to give a clear history of actions and be clear and concise with what has transpired.

Dennis Speer passed handout of the ordinance and indicated to the Committee that he didn’t see a findings section. Mr. Speer directed the committee to the Ordinance “Sec 3.2.117 Duties” where in there it discusses that their needs to be the findings of the committee. Chairman Petersen indicated that the Summary will hold the findings. Mr. Speer went on to discussed how in the material that is shown in the City Budget of the

report it doesn't show Capital Improvement Projects and that is where most of the street projects are done. There was discussion about how the Public Works Fund and Engineering Fund transferred between different account codes with one of the finance directors. There was the elimination of the accounting code Public Works Administration somewhere around the time of 2009 -2010 and the Public Works Department just starting using the Public Works Engineering Fund. This caused some confusion in the report that was done by the committee.

Steven Morgan brought to the table what he called the "black mark" and wondered if the committee wanted to talk to about the Mayor's Letter. He was wondering if the committee wanted to "air the dirty laundry" sort to speak. He felt that the letter does not have anything to do with the revenue and expenditure that the Ordinance calls for in the section 3.2.117. He just asked that the Committee Members to please read this section of the ordinance and think hard about if they are doing the duties that are asked of them by putting in the letter into the Final Report.

Mr. Speer also felt that by putting in the letter it might set the tone and have a negative effect on the community. In the next five years when the City needs to pass another measure and the citizen will look to this committee and these final reports do the reports reflect a positive light? Mr. Speer gave three examples of personal messages (1) was a Chinese proverb (2) was a Bible story from the Book of Samuel and (3) was a quote from Mark Twain. The message was basically that we shouldn't dwell on the past and that sometimes we needed to be a bigger man and move forward. Mr. Speer felt that in the best interest of the community and it would serve no purpose to have the letter in the final report.

Mr. Salvatore felt that this was a defining moment for the committee and that the committee needed to record it for posterity. The committee had the next four years to have other things to say. He also felt that if it wasn't recorded the community would wonder why the committee hadn't mentioned it. He felt that the committee needed to put it in the final document.

Eddie Thomas stated that the committee extended the olive branch and that the public was made aware of that; but at some point in time we do have to let it go and move on. It does no good for the committee or for the community if we want to have another Measure pass again to keep bringing it up.

Chairman Petersen felt that it needed to be put on the agenda so that it could be discussed by all members of the committee. The Chairman felt that it would be appropriate to include the letter as a historical record that it was encountered, dealt with, and that the committee moved on. Maybe it would be appropriate to drop the document as an appendix but mention it in item 4 as part of the historical history.

Andy Andersen felt that he would like to think about it. He wasn't sure that maybe at the time the committee (or just himself) was just angry and now it is time to move forward and not have the letter in the final report.

The Chairman felt that to make sure that each part of the Final Document was approved by each committee member that there should be a vote on each section. Karen Harker will speak with the City Clerk to determine the right approach for approving the Final Report.

Mr. Morgan also wanted to mention on page 2 section 2 some history about the Measure L Tax. Before there was a Measure L there was Measure R with 25% going to the Police and 50% Streets. Measure R got 56 % of the vote as a general vote. This was a Specific vs General tax. This is information that you might want to add into your historical documentation. He also asked when the City Council would be able to get to see the Final Report with the Final Numbers.

The Committee discussed that a PowerPoint presentation would be forthcoming at the City Council Meeting on March 19, 2014. It would be the hopes of the Committee that the report would be available the first week of March.

Ms. McQuiston asked if she could get clarification about how the committee wanted to see the proposed budget and how to make it more presentable with the Measure L Revenues. Mr. Speer spoke to the fact that this last budget did show the Measure L Budget as a separate document from the Proposed Budget. The City will continue to do this so that the Committee can see it as separate revenue. Karen Harker will forward to Ms. McQuiston the Resolution that was adopted by the Committee asking the City Council for a separate budget.

Chairman Petersen stated that his goal over the next couple of weeks will be to update language, streamline the process, and add clarity to the historical 4.0 section.

Public Comment

Paul Vanderwerf – Measure L Funds needs to be separate so that the community can see the funds. I don't think that any criticism of our accounting staff. What happened to the letter issue? I would like to see it in the document but no bearing on what happens in the next 4 years.

CITIZENS' OVERSIGHT COMMITTEE COMMENTS

Eddie Thomas – Thought it was an excellent report. Thanked the Chairman and Mr. Salvatore for all the hard work and hopes that the community sees all the hard work. He believes that there are things that we can tighten up in the report.

Andy Anderson – Sincerely thanked Phil for his work on the report. Thanked Eddie Thomas for his year of service and Finance Staff for all of their help.

Phil Salvatore – Thanked staff and Eddie Thomas for his year of service.

Michael Petersen – is looking forward to the comments and questions for the annual report so that the public can get the best possible information that is available.

SUPPORT STAFF COMMENTS

Chief Strand - Thanked committee for work on report

Dennis Speer

Street related projects

- Moving ahead on traffic signal on Upjohn.
- CMAQ for the Synchronization for signals from College Heights Blvd to W. Ridgecrest Blvd.
- Our City received an E-76 to go out to bid on W Ridgecrest Blvd. We advertised and our bid openings are on February 27, 2014

FUTURE AGENDA ITEMS

- **Update Final Report**

NEXT MEETING:

- **February 10, 2014**

ADJOURNMENT: Meeting was adjourned 7:35